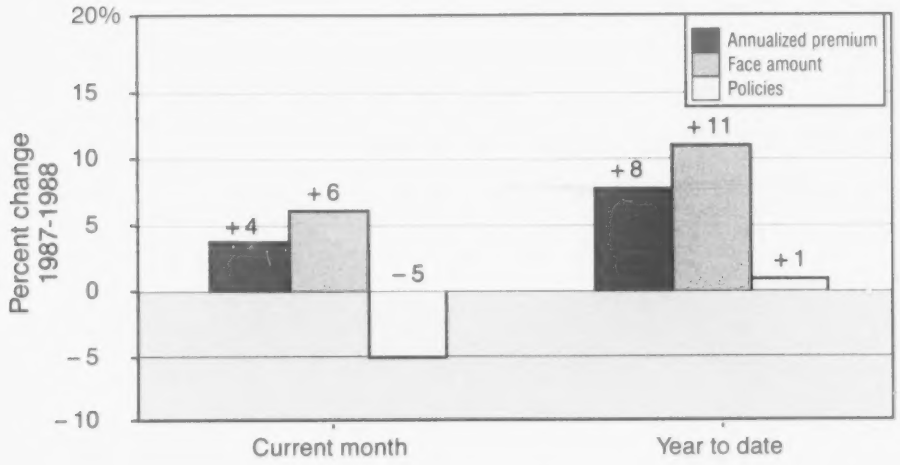
12/11/88 46225-2
I/R Code 47.40
June 1988

MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

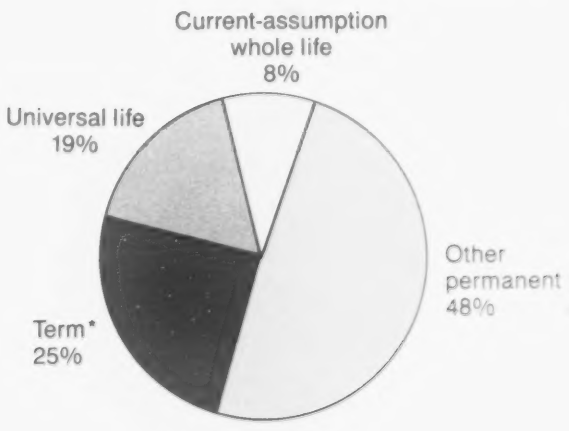
Individual Sales

37 Companies

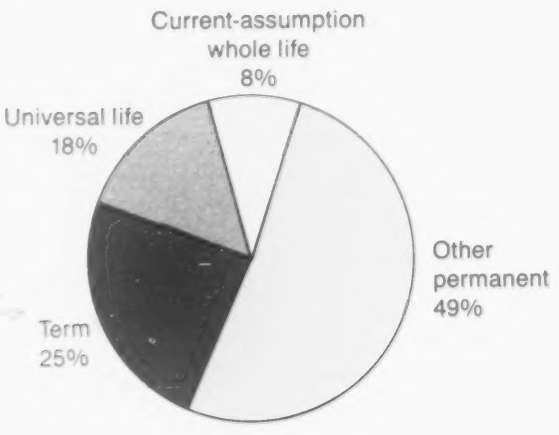


Annualized Premium Market Share by Product

26 Companies Representing 82 Percent of June Sales



Current month



Year to date

*For the 13 companies that sell the product and supply data, "permanent term" ("term to 100") makes up 13 percent of total June 1988 sales.

LIMRA INTERNATIONAL

Profit from our research.

Individual Sales (cont.)

Sales Comparisons with Last Year

Ratio 1988/1987

		Annualized premiums	Face amount	Number of policies
Term (22 cos.)	Month	116%	116%	110%
	Year to date	117%	122%	116%
Universal life (19 cos.)	Month	146%	154%	138%
	Year to date	148%	155%	139%
Current-assumption whole life (11 cos.)	Month	81%	72%	75%
	Year to date	82%	78%	83%
All other permanent (21 cos.)	Month	93%	93%	89%
	Year to date	100%	101%	95%

Policy Characteristics by Product

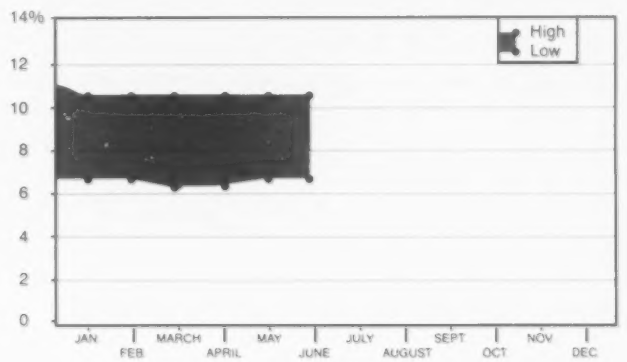
		Premium per $1,000	Average size policy	Premium per policy
Term (22 cos.)	Month	$ 3.56	$141,928	$505
	Year to date	$ 3.51	$139,146	$489
	Year-to-date ratio	96%	106%	101%
Universal life (19 cos.)	Month	$ 8.58	$ 91,618	$786
	Year to date	$ 8.74	$ 87,576	$765
	Year-to-date ratio	96%	111%	107%
Current-assumption whole life (11 cos.)	Month	$ 6.87	$ 54,581	$375
	Year to date	$ 6.63	$ 56,068	$372
	Year-to-date ratio	106%	93%	99%
All other permanent (21 cos.)	Month	$11.05	$ 52,088	$576
	Year to date	$10.92	$ 51,776	$565
	Year-to-date ratio	99%	106%	105%
Total sales (37 cos.)	Month	$ 6.70	$ 85,257	$571
	Year to date	$ 6.70	$ 82,424	$552
	Year-to-date ratio	98%	110%	107%

Universal Life

Interest Rates This Month

Median	9.0%
Range	6.5%–10.5%
Range of middle 50%	7.8%–9.2%
Number of cos. reporting rates	15
Number of plans reported	35
Number of new plans	0
Number of plans dropped	0
Number of plans showing . . .	
No change	23
Increases	11
Average increase	0.3%
Decreases	1
Average decrease	†

1988 Interest Rate Range



† Less than ½ of 1 percent

Individual Sales (cont.)

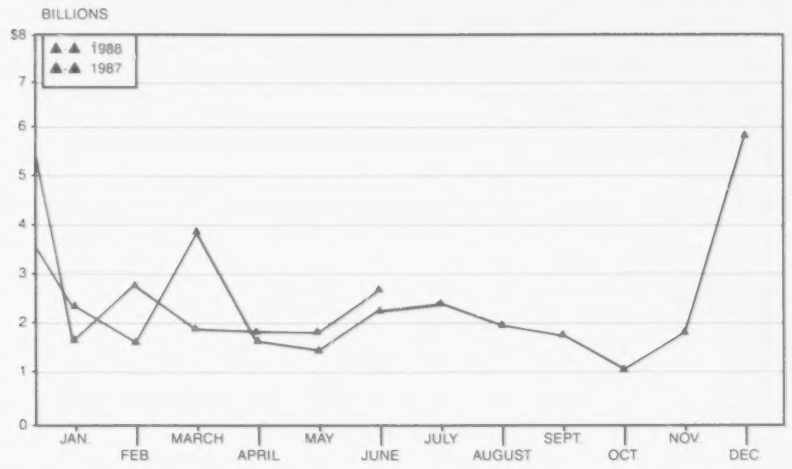
Contributors' Growth Rates

Change in Annualized Premium
Year to Date

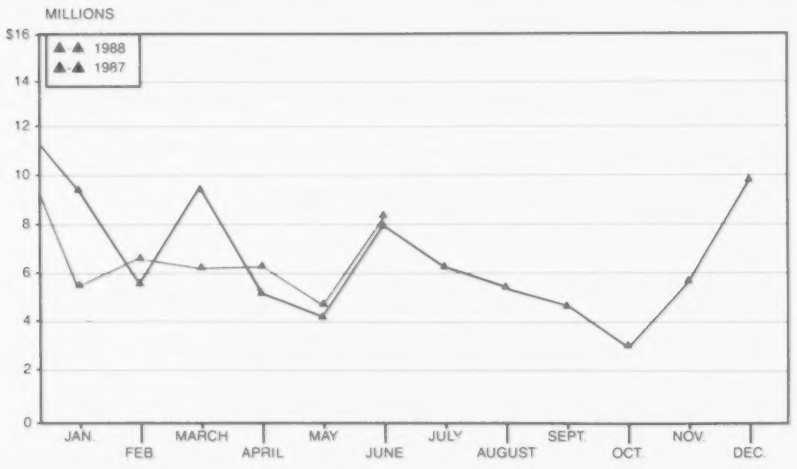
Percent change 1987–1988	Number of ... Group I cos.	Group II cos.	Group III cos.	All cos.
21% or over	3	4	6	13
11%–20%	1	2	4	7
1%–10%	3	2	2	7
–9%–0	2	4	0	6
–19%– –10%	1	1	0	2
–20% or under	0	1	1	2

Group Sales

Face Amount – 16 Companies



Annualized Premium – 13 Companies



June Sales*

		Annualized premium (000)		Face amount (000)		Number of policies	
		1987	1988	1987	1988	1987	1988
Total ordinary life	Month	$ 49,285	$ 51,303	$ 7,206,791	$ 7,656,533	94,222	89,805
	Year to date	$248,797	$269,137	$36,288,979	$40,168,224	482,288	487,337
Ordinary— Group I	Month	$ 29,913	$ 31,065	$ 3,921,544	$ 4,116,070	57,581	53,342
	Year to date	$149,018	$154,872	$19,745,538	$20,873,769	296,869	282,914
Ordinary— Group II	Month	$ 15,366	$ 15,037	$ 2,546,782	$ 2,552,757	28,090	26,400
	Year to date	$ 78,481	$ 87,270	$12,745,071	$14,353,562	140,769	149,440
Ordinary— Group III	Month	$ 4,006	$ 5,201	$ 738,465	$ 987,706	8,551	10,063
	Year to date	$ 21,298	$ 26,995	$ 3,798,370	$ 4,940,893	44,650	54,983
Group life	Month	$ 7,861	$ 8,294	$ 2,312,492	$ 2,838,811	—	—
	Year to date	$ 41,520	$ 38,019	$13,356,574	$13,111,497	—	—

*Data revised to incorporate company corrections.

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance—annualized premiums, face amount (volume), and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities and Canadian pension bonds). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 37 companies plus six subsidiary companies operating in Canada. The contributors represent 81 percent of the 1986 Canadian ordinary volume sold and 85 percent of first-year premiums written. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 16 companies operating in Canada. The contributors represent 64 percent of the 1986 Canadian volume of new or amended group contracts.

Contact: Joy I. Hansen, project director
Darlene A. Schnittker
Michael D. Bourque
Raymond H. Hinchcliffe
Anita Potter (group)
—Market Research

Life Insurance Marketing and Research Association, Inc.
P.O. Box 208, Hartford, Connecticut 06141

Contributors

GROUP I

Canada Life*
Great-West Life*†
Industrial-Alliance Life*†
(includes North West Life of Canada)
London Life*†
Manufacturers Life†
Metropolitan Life*†
(includes Metropolitan Life of Canada)
Mutual Life of Canada*†
North American Life (Canada)
Prudential of America*†
Sun Life of Canada*†

GROUP II

Ætna Canada (Excelsior Life)†
Commercial Union Life of Canada
Confederation Life*
Co-operators Life
Crown Life†
Imperial Life of Canada
La Laurentienne†
Maritime Life (Canada)†
National Life of Canada*
New York Life*†
(includes New York Life of Canada)
Prudential of England*†
(includes Prudential Life of England)
Seaboard Life†
Transamerica Occidental Life†
(includes Transamerica Life of Canada)
Zurich Life of Canada†

GROUP III

Allstate Life of Canada†
Assumption Mutual Life
Assurance-Vie Desjardins*
COLONIA Life†
Equitable Life of Canada
Financial Life of Canada†
Knights of Columbus†
Laurier Life†
Royal Life (Canada)†
(includes Royal Life of Canada)
La Sauvegarde*†
La Solidarite
State Farm Life†
L'Union-Vie†

The groupings of companies and departments are maintained for five-year periods to allow examination of trends; currently they are based on the sum of first-year and renewal direct-written ordinary life premium income as of December 31, 1986.

*Company contributes both ordinary and group data

†Company is included in product market share chart

Companies contributing group data only: Ætna-Vie and Laurentian/Imperial

Printed in U.S.A. Copyright © 1988

I/R Code 47.40
June 1988

SUPPLEMENT TO MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

Notes on the June Survey

Please note the following changes to the monthly report:

- Beginning with this issue, company corrections will be incorporated on a *monthly* basis to provide contributors with the most up-to-date information. Tables showing revised data for previous months will be published quarterly (see below).
- The product pie chart has been revised to include two additional companies. The 26 companies included in the revised product chart are designated in the contributors' list on the last page. To facilitate 1988/1987 comparisons, we have recomputed product allocations by month for the revised group. The 26 companies represent 81 percent of contributors' June 1988 year-to-date sales.
- This supplement shows enhancement policy sales for the seven contributors able to report both the base plan and enhancement portion. Enhancements are included in the "all other permanent" category in the report. Enhancement sales will be reported separately on a quarterly basis.

Canadian Ordinary Sales for 37 companies
Revised through June 1988

	Annualized premium (000)			Face amount (000)			Number of policies		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
January	$ 31,540	$ 35,858	114%	$ 4,511,576	$ 5,294,956	117%	$ 58,854	$ 63,178	107%
February	40,016	44,166	110	5,742,029	6,459,174	112	79,913	80,546	101
March	44,437	49,338	111	6,445,477	7,327,222	114	85,118	89,865	106
April	41,584	42,759	103	6,176,925	6,454,849	104	82,046	78,676	96
May	41,935	45,713	109	6,206,181	6,975,490	112	82,135	85,267	104
June	49,285	51,303	104	7,206,791	7,656,533	106	94,222	89,805	95
July	42,251			6,234,213			77,499		
August	35,339			5,283,427			66,714		
September	44,396			6,586,954			87,790		
October	46,964			6,734,893			88,590		
November	52,821			7,579,382			96,221		
December	51,897			7,346,788			86,177		
Year total	$522,465			$76,054,636			$985,279		
Year to date	$248,797	$269,137	108%	$36,288,979	$40,168,224	111%	$482,288	$487,337	101%

LIMRA INTERNATIONAL
Profit from our research.

Canadian Group Sales
Revised through June 1988

	Annualized premium (000) (13 companies)			Face amount (000) (16 companies)		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
January	$ 9,341	$ 5,542	59%	$ 2,371,568	$ 1,627,909	69%
February	5,489	6,660	121	1,653,616	2,774,156	168
March	9,368	6,315	67	3,891,276	1,999,288	51
April	5,269	6,343	120	1,680,269	1,886,628	112
May	4,192	4,865	116	1,447,353	1,984,705	137
June	7,861	8,294	106	2,312,492	2,838,811	123
July	6,231			2,409,857		
August	5,310			1,956,921		
September	4,557			1,749,371		
October	3,039			1,047,021		
November	5,596			1,886,423		
December	9,733			5,880,366		
Year total	$75,986			$28,286,533		
Year to date	$41,520	$38,019	92%	$13,356,574	$13,111,497	98%

Monthly Product Allocations
(Based on 26 Product Market Share Contributors for 1988)

	Universal life		Current-assumption whole life		Term		Other permanent	
	1987	1988	1987	1988	1987	1988	1987	1988
January	11%	16%	11%	9%	22%	24%	56%	51%
February	12	18	11	9	21	23	56	50
March	13	18	11	8	19	23	57	51
April	14	17	11	9	21	27	54	47
May	11	19	11	9	21	26	57	46
June	12	19	10	8	21	25	57	48
July	12		9		22		57	
August	15		10		23		52	
September	14		11		21		54	
October	15		10		21		54	
November	14		9		23		54	
December	18		8		23		51	
Year total (26 companies)	14%		10%		21%		55%	

Canadian Enhancement Sales for 7 Companies

	Annualized premium (000)			Face amount (000)			Number of policies		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
First quarter	$15,318	$14,656	96%	$2,073,312	$2,008,066	97%	27,509	25,355	92%
Second quarter	17,059	16,650	98	2,336,151	2,260,338	97	30,603	29,243	96
Third quarter	14,417			2,018,680			24,438		
Fourth quarter	18,450			2,490,433			30,937		
Year total	$65,244			$8,918,576			113,487		
Year to date	$32,377	$31,306	97%	$4,409,463	$4,268,404	97%	58,112	54,598	94%

	Premium per $1,000			Average size policy			Premium per policy		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
First quarter	$7.39	$7.30	99%	$75,368	$79,198	105%	$557	$578	104%
Second quarter	7.30	7.37	101	76,337	77,295	101	557	569	102
Third quarter	7.14			82,604			590		
Fourth quarter	7.41			80,500			596		
Year total	$7.32			$78,587			$575		
Year to date	$7.34	$7.33	100%	$75,879	$78,179	103%	$557	$573	103%

Enhancement Market Share of 7 Companies

Annualized premium (000)		Face amount (000)		Number of policies	
Total 1987	Jan.–June 1988	Total 1987	Jan.–June 1988	Total 1987	Jan.–June 1988
34%	33%	32%	31%	29%	30%

Contributing Companies

Equitable Life of Canada
Great-West Life
Industrial-Alliance Life
(includes North West Life of Canada)
London Life
Manufacturers Life
Prudential of England
(includes Prudential Life of England)
Sun Life of Canada